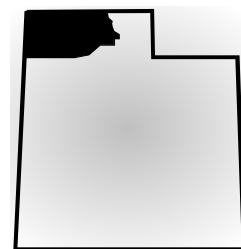


County Trends

June 2003

Box Elder



A Local Economic Perspective

Moderating Unemployment and Job Growth

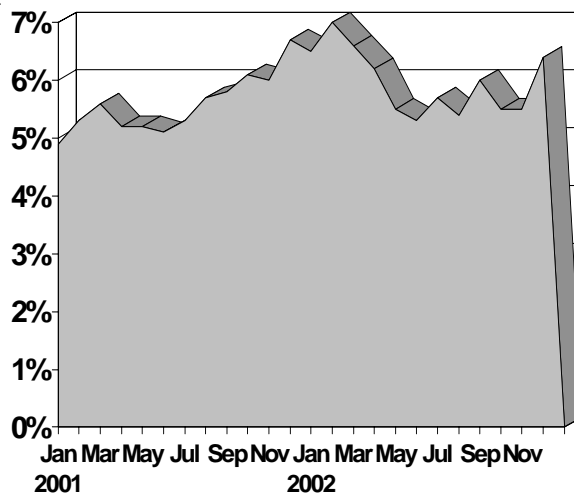
Box Elder's economy just held its own during the last half of 2002. Although somewhat insulated from the national recession and what is called the jobless recovery, most economic indicators for the county fell off during the third and fourth quarters of 2002. Job growth slowed because of a relocation of a corporate headquarters. This caused the year-over change in jobs to look much worse than it was. The unemployment rate, high in the first half of the year, dipped in the last half of 2002 and is currently on its way back up.

Unemployment Climbs

During the July to November 2002 period, the number of unemployed workers hovered between 900 and 1,000. December's count jumped to over 1,200 as the rate accelerated from 5.5 percent to 6.4 percent by year's end. This trend closely mirrored what the state was experiencing as Utah's and Box Elder's economy continued in the "sideways" economic pattern of not much activity either up or down.

Year-over job growth was positive (0.6 percent) during the third quarter of 2002, but slipped into the negative by the end of the year again due to a move of corporate headquarters out of the county. Fourth

Seasonally Adjusted Box Elder County Unemployment Rates

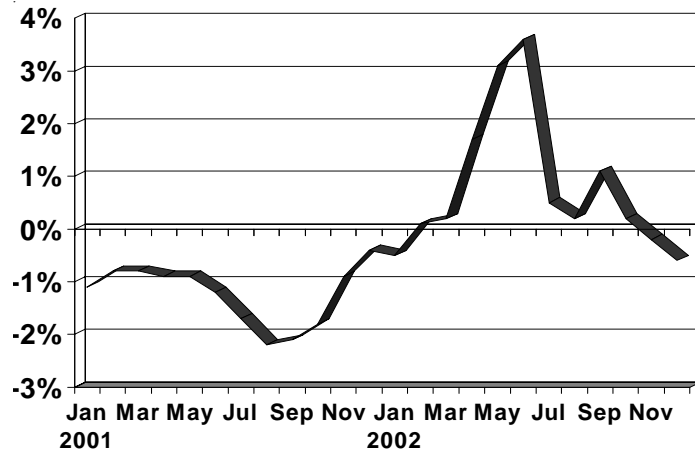


Source: Utah Department of Workforce Services.





Year-Over Change in Box Elder County Employment



Source: Utah Department of Workforce Services.

quarter's job growth was -0.2 percent, or a loss of jobs, albeit only about 30. This was more than offset by the addition of about 100 positions between the third quarter of 2001 and 2002.

In industry terms, the job gainers from a year ago were retail trade and transportation and warehousing. The hospitality industry lost jobs during third and fourth quarter of 2002. Construction added about 90 jobs to payrolls in the third quarter of 2002 but, as would be expected because of the seasonality, lost about 40 slots during the fourth quarter. Manufacturing, by far the largest single industry in the county, added a few jobs to their payrolls.

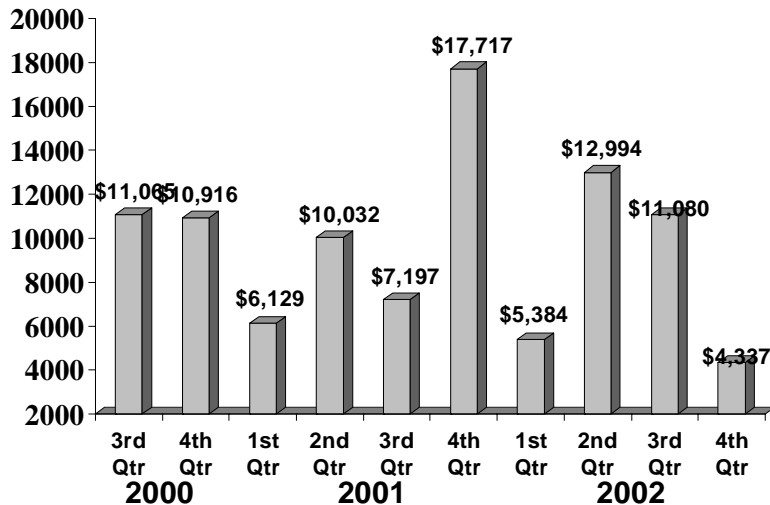
Construction valuation was way up in third quarter but fell sharply in fourth quarter

The value of 2002 permitted construction increased during July, August, and September compared to last year. This amounted to a \$4 million jump over the \$7 million valuation from the third quarter of 2001. Most of this increase was in nonresidential (commercial) construction activity. Just the opposite occurred when the year-over change for fourth quarter is analyzed. In fact, the value of construction plummeted by 75 percent when the fourth quarter of 2002 is compared with the same period in 2001.

To the Point

Box Elder continues to be in a holding pattern as the state and the nation waits impatiently for the recovery to commence. With such a massive run-up in the productive capacity in the 1990's, it will be some time before this excess is used up and ready to start cranking up the payroll to produce more. Box Elder's economy is reflecting this "wait and see" attitude.

Total Box Elder County Approved Construction Values (in 000s)



Source: Utah Bureau of Economic & Business Research.

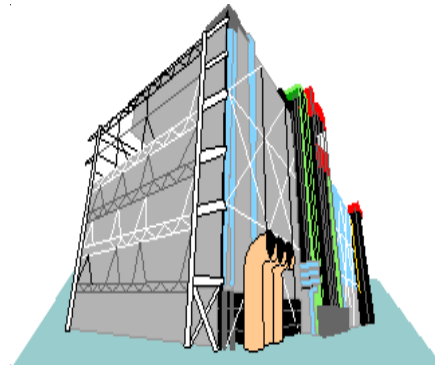
This drop represents the completion of some major commercial/retail building in Brigham City. Residential permits increased by just four percent between the second halves of 2001 and 2002. Residential valuation was about even over the same period. The big change was in nonresidential building – the completion of the Wal-Mart commercial center.

Sales Up in Third and Fourth Quarter

Sales were up by 4.3 percent compared with the second half of 2001. This 4.3 percent was an average of a third quarter increase of 5.3 percent and a fourth quarter of 3.2 percent. Of the \$200 million in total sales \$117 million originated from just the retail sector alone. The effect of new retail stores was clearly evident in the 2001 to 2002 increase in sales volume from about \$6 million to \$28 million in just general merchandise stores alone. Overall, retail sales are growing, despite the general economic doldrums.

John Mathews, Regional Economist
johnmathews@utah.gov, 801-526-9467

For more Box Elder County economic information see:
<http://jobs.utah.gov/wi/Regions/northern/boxelder/boxe2.asp>



Quick Facts

April 2003

Unemployment Rate

Box Elder County	6.2%
Utah	5.3%
U.S.	6.0%

December 2002 Change from Previous Year

Job Growth

Box Elder County	-0.6%
Utah	0.2%
U.S.	-0.2%

4th Qtr 2002 Change from Previous Year

Construction Values

Box Elder County	-75.5%
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Sales

Box Elder County	3.2%
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Source: Utah Dept of Workforce Services,
 Bureau of Labor Statistics,
 Utah Tax Commission,
 Bureau of Econ & Business Research.

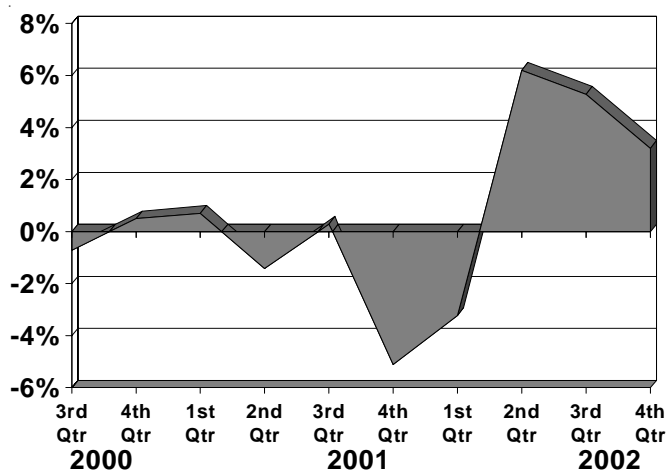
State of Utah

Utah Department of Workforce Services

140 East 300 South
PO Box 45249
Salt Lake City, UT 84145-0249

ADDRESS SERVICE REQUESTED

**Year-Over Change in Box Elder
County Gross Taxable Sales**



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.



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Equal Opportunity Employment Program

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128

What's Up? 4

- Utah State University is considering occupancy of the Kmart building in Brigham City for a one-stop learning center.
- Tremonton voters roundly rejected raising their taxes to build a new library next to the old library in the city's central park.
- There may not be a "happening" nightlife, but Brigham City's residents say the city's quaintness and charm make up for it. Home to 17,411 residents, growth has slowed down a bit.
For more economic events, see: <http://jobs.utah.gov/wi/Regions/northern/boxelder/boxelderee.pdf>

